

BUPA INVESTMENTS OVERSEAS LIMITED

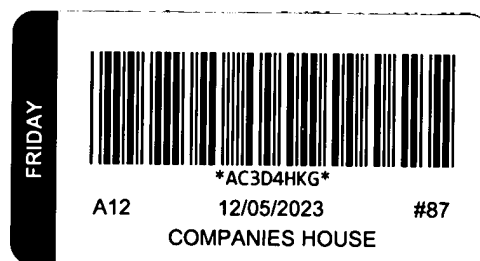
(Registered number 2993390)

Annual report
For the year ended

31 December 2022

Registered office:

**1 Angel Court
London
EC2R 7HJ**



Contents

	Page
Strategic Report	1
Directors' Report	5
Independent Auditors' Report to the Members of Bupa Investments Overseas Limited	8
Profit and Loss Account and Statement of Comprehensive Income	11
Balance Sheet	12
Statement of Changes in Equity	13
Notes to the Financial Statements	14

Strategic report for the year ended 31 December 2022

The Directors present their Strategic Report for Bupa Investments Overseas Limited ("the Company") for the year ended 31 December 2022.

Business Review

The Directors consider the performance of the Company during the year to be satisfactory. The financial highlights are as follows:

- Financial income of £324.2m was up 22% (2021: £266.1m) mainly due to higher dividends from subsidiaries and higher interest on intercompany loans offset by net foreign exchange losses on investments.
- Profit before taxation of £273.8m was up (2021: £243.0m) 13% mainly due to higher financial income as noted above offset by increased impairment provisions on subsidiary investments.
- Debtors balance of £707.8m was down 32% (2021: £1,034.1m) of as a result of the settlement of financing arrangements with other Bupa Group companies.
- Net assets of £4,389.6m was down 17% (2021: £5,277.5m) mainly due to dividends paid offset by profits for the year.

During 2022, global inflation rose sharply resulting in higher interest rates. This led to higher interest income from intercompany loans and also increased assets impairment due to a rise in discount rates used to assess asset values. There were net asset impairments across investments in subsidiaries totalling £30.6m.

Principal risks and uncertainties

The Company is subject to a number of uncertainties and risks. These risks and uncertainties include interest rate and foreign exchange rate fluctuations driven by external market influences and the uncertainty of timing of cash generation within the other Bupa Group companies. The Company's management determines that these risks and uncertainties are managed effectively where possible and are reviewed on a regular basis in line with Bupa Group policies.

The Company is part of the Bupa Group and details of the Bupa Group's business risks and risk management processes are set out in Annual Report of the ultimate parent company, The British United Provident Association Limited ("Bupa" and together with its subsidiaries, the "Bupa Group"). The Directors recognise the important role of the Company as a group holding and funding company and thus monitor performance with respect to the solvency of the Company, the underlying performance of investments, including their valuation on the balance sheet.

Risk profile

The Company accepts risk as part of its business. Some risks are avoidable while others are inherent in its business model. These risks are set out in the table below.

Description	Mitigating actions
Currency and Interest rate Risk	
Risk arising from changes in the level or volatility of currency exchange and interest rates impacting on cash flows and assets held in currencies other than sterling, and on the financial statements.	<ul style="list-style-type: none"> • These are, where possible, significantly mitigated through a hedging programme to the Bupa Board approved level of risk. • The Company limits currency risk exposure through asset liability matching in local currencies. •

Strategic report (continued)

for the year ended 31 December 2022

Risk profile (continued)

Description	Mitigating actions
Liquidity Risk	
The risk that the Company holds insufficient financial resources to enable it to meet its obligations as they fall due or to take advantage of potential opportunities, or of being able to secure such resources only at excessive cost, resulting in adverse impacts.	This is mitigated by actively managing borrowings, for which the amount and timing of outflows are known, and by maintaining a portion of the bank facility undrawn.

Section 172 statement

Promoting our long-term success and sustainability

This statement sets out how the Board has acted in a way that promotes the success of the Company for the benefit of its sole shareholder, Bupa Finance plc ('Parent'), in achieving its purpose of helping people live longer, healthier, happier lives and making a better world.

When making decisions, the Board takes into account:

- the likely long-term impact of the decision
- the interests or concerns of, and impact on, our key stakeholders
- the impact of our decisions and operations on the communities in which we operate, and the environment
- the need to maintain a reputation for high standards of business conduct.

Engaging with our key stakeholders

The Company is a holding company for a number of subsidiaries in the Bupa Group and we consider our Parent, creditors and subsidiaries to be our key stakeholder groups. Our suppliers, customers, people and the communities we operate in are also important stakeholder groups. All key Board decisions consider the impact on relevant stakeholders and any decisions taken will be aligned to the strategy and standards of the Bupa Group and be made in the best interests of all stakeholders. Many decisions over these areas are, more appropriately, made by the board of the relevant subsidiary.

The Board endeavours to gain an understanding of the perceptions and attitudes of each stakeholder group and the weight they give to different issues. Where the views of different stakeholder groups do not align, the Board must decide on the best course of action to promote the Company's and Bupa's long-term sustainability and success. It is important for all levels of the business to engage with stakeholder groups to gain a better understanding of their interests and concerns and the impact our decisions have on them.

Bupa has a robust system of governance and risk management in place and operates a 'three lines' model to identify, manage and mitigate risk, to ensure that we maintain high standards of business conduct. These include governance processes around decision-making; risk appetite statements set by the Bupa Board; and risk policies and standards that are applied across the Bupa Group on areas including customer outcomes, people, capital management, supplier management, risk, clinical governance, data quality, information security, privacy, and wellbeing, health and safety.

High standards of business conduct

The Board meets regularly to consider matters referred to it under the relevant risk policies. Papers submitted to the Board are required to include a summary of key risks, how relevant stakeholders have been considered in the proposals and the governance process undertaken

Strategic report (continued) for the year ended 31 December 2022

Section 172 statement (continued)

prior to seeking Board approval to ensure that stakeholder interests or concerns have been considered and that proposals have been through appropriate review and approval processes prior to submission to the Board.

This assists the Board in making well-informed decisions that promote the long-term, sustainable success of the business.

Strategic decisions and their impact on stakeholders:

The table below sets out a number of decisions taken by the Board during the year and how stakeholder views were taken into account.

Treasury management – shareholder, creditors, subsidiaries, suppliers, customers and people	
The Company needs to ensure that it, and its subsidiaries, can meet their financial obligations.	<p><u>Action</u> The Board approved various treasury management decisions during the year to ensure that the Company, and its subsidiaries, met their financial obligations.</p> <p><u>Stakeholder considerations</u> Stable performance and liquidity provides reassurance to suppliers that they will be paid on a timely basis for the products and services they provide, to employees that they will be paid on time and that investment will be made to enhance working practices and systems, and to customers that they are receiving products and services at a reasonable cost and that Bupa will support their needs over the long-term.</p> <p><u>Long-term impact</u> Managing the Company's and the Group's liquidity mitigates operational, financial and reputational risk and thereby ensuring the Bupa Group's sustainability.</p>
Dividends – shareholder, subsidiaries, customers	
The Board needs to manage the desire for its Parent to receive dividends with the funding required by the business to achieve the Bupa Group's objectives, and the need to maintain the financial strength of the Company.	<p><u>Action</u> The Board approved two interim dividends during the year.</p> <p><u>Stakeholder considerations</u> The Board considered the expected level of funding required by its subsidiaries to achieve the Bupa Group's strategy and the financial strength of the Company prior to approving and authorising the payment of an interim dividend.</p> <p>Surplus funds which are not distributed to the shareholder are reinvested back into the business to help achieve the Bupa Group's purpose and strategy.</p> <p><u>Long-term impact</u> Prudent financial management supports the long-term success of the Company, its shareholder and the Bupa Group.</p>

Strategic report (continued) for the year ended 31 December 2022

Section 172 statement (continued)

Strategic decisions and their impact on stakeholders (continued)

Modern slavery - people, suppliers and communities	
The Company must publish a modern slavery statement setting out the steps it has taken to ensure that modern slavery and human trafficking is not taking place within its businesses and supply chains.	<p><u>Action</u> During the year the Board approved the Company's modern slavery statement which is available on bupa.com.</p> <p><u>Stakeholder considerations</u> The Board noted the activities taken by management during 2021 to combat the risk of modern slavery (including human trafficking, forced labour and servitude) within the Bupa Group's businesses and supply chains.</p> <p><u>Long-term impact</u> The steps the Bupa Group takes in this area help protect our people, the people employed or contracted by our suppliers and the wider communities in which we operate.</p>

On behalf of the Board



Clare Binmore
Director
9 May 2023

Directors' report

for the year ended 31 December 2022

The Directors present their annual report and the audited financial statements of the Company for the year ended 31 December 2022.

Principal activities

The principal activity of the Company for the year was that of an investment holding and intercompany funding company. The Directors do not expect any changes in the Company's principal activities over the foreseeable future.

Dividends

The Company paid interim dividends of £1,202.9m during the year ended 31 December 2022 (2021: £nil). No final dividends are proposed.

Going concern

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

The going concern assessment in Note 1 to the financial statements includes information on the Directors' detailed assessment of the Company's status as a going concern.

International Financial Reporting Standards and financial reporting requirements

The ultimate parent undertaking, Bupa, has prepared group financial statements in accordance with International Financial Reporting Standards as adopted by the UK ("IFRS"). As the Company is a wholly owned subsidiary undertaking of Bupa, a group whose financial statements are publicly available and prepared under IFRS, the Company qualifies for application of Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101"), which has been adopted for these financial statements. FRS 101 uses the recognition and measurement bases of IFRS, while allowing exemptions from a number of disclosures required by full IFRS.

Directors

Details of the present Directors and any other persons who served as a Director during the year are set out below:

C Binmore (appointed 25 October 2022)
G M Evans
S M Fielding
J A Lenton
G H Roberts (resigned 16 September 2022)

Insurance and indemnities

Bupa has a directors' and officers' insurance policy in place, together with indemnities for the Directors and certain senior managers, to the extent permitted by English law and the Company's Articles of Association. These cover all losses arising out of, or in connection with, the execution of their powers, duties, and responsibilities, as Directors of the Company or of any of its subsidiaries. These have been in place throughout 2022 and to the date of this Annual Report. There are no other qualifying third-party indemnity provisions or pension indemnity provisions in place.

Directors' report (continued)

for the year ended 31 December 2022

Branches

The Company has a branch registered in Spain, Bupa Investments Overseas Limited, Sucursal en España (the 'Spanish Branch').

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101, and applicable law).

Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Disclosure of information to independent auditors

The Directors who held office at the date of approval of this Directors' report confirm that:

- so far as they are each aware, there is no relevant audit information of which the Company's external auditor is unaware; and
- each Director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

Bupa Investments Overseas Limited
Year ended 31 December 2022
Registered number: 2993390

Directors' report (continued) **for the year ended 31 December 2022**

Independent Auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and will be deemed to be reappointed pursuant to Section 487 of the Companies Act 2006.

On behalf of the Board



Clare Binmore
Director
9 May 2023

Independent auditors' report to the members of Bupa Investments Overseas Limited

Report on the audit of the financial statements

Opinion

In our opinion, Bupa Investments Overseas Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: Balance Sheet as at 31 December 2022; the Profit and Loss Account; the Statement of Comprehensive Income; the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Statement of Directors' Responsibilities, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Statement of Directors' Responsibilities

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Statement of Directors' Responsibilities for the year ended 31 December 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Statement of Directors' Responsibilities.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of UK company and tax law, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to management bias in accounting

estimates, such as the valuation of investments in subsidiary and associate undertakings, and the fraudulent posting of journals.. Audit procedures performed by the engagement team included:

- Enquiring with management, including Internal Audit and the Compliance function, to understand whether there were any instances of non-compliance with laws and regulations as well as whether they have knowledge of any actual or suspected fraud;
- Reviewing relevant meeting minutes, including those of the Board of Directors;
- Evaluation of management's controls designed to prevent and detect irregularities;
- Assessed the appropriateness of accounting policies, estimates and judgements relevant to the financial statements, including performing an assessment of the appropriateness of the impairment assessment prepared by management in relation to the valuation of investments in subsidiary and associate undertakings;
- Designing audit procedures that incorporated unpredictability around nature, timing or extent of our testing; and
- Validating the appropriateness of journal entries identified based on our fraud risk criteria.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Thomas Ferguson (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

9 May 2023

Profit and Loss Account for the year ended 31 December 2022

	Note	2022 £m	2021 £m
Financial income	2	324.2	266.1
Other income	3	4.1	2.4
Financial expense	4	(0.9)	(1.3)
Net impairment on financial assets	5	(30.6)	(4.3)
Administrative expenses	6	(23.0)	(19.9)
Profit before taxation		273.8	243.0
Taxation expense	9	(15.6)	(15.5)
Profit for the year		258.2	227.5

The result for the year is entirely derived from continuing operations.

Statement of Comprehensive Income for the year ended 31 December 2022

	Note	2022 £m	2021 £m
Profit for the year		258.2	227.5
Items that are reclassified subsequently to profit or loss			
Foreign exchange translation differences	18	56.8	(79.9)
Total comprehensive income for the year		315.0	147.6

The notes on pages 14 to 34 form part of these financial statements

Balance Sheet

as at 31 December 2022

	Note	2022 £m	2021 £m
Non-current assets			
Deferred tax asset	9	1.3	1.1
Intangible assets	10	10.4	12.8
Property, plant and equipment	11	3.5	3.2
Investments	12	5,869.3	6,323.4
		5,884.5	6,340.5
Current assets			
Debtors	13	707.8	1,034.1
Cash and cash equivalents		7.1	8.0
		714.9	1,042.1
Current liabilities			
Creditors – amounts falling due within one year	14	(121.7)	(126.9)
Lease liabilities	15	(0.3)	(0.2)
		(122.0)	(127.2)
Net current assets		592.9	915.0
Total assets less current liabilities		6,477.4	7,255.5
Creditors – amounts falling due after more than one year	16	(2,087.5)	(1,977.8)
Lease liabilities	15	(0.3)	(0.2)
		(2,087.8)	(1,978.0)
Net assets		4,389.6	5,277.5
Shareholders' funds			
Called up share capital	17	50.0	50.0
Foreign currency translation reserve	18	265.0	208.2
Capital redemption reserves	18	874.9	874.9
Retained earnings	18	3,199.7	4,144.4
Total shareholders' funds		4,389.6	5,277.5

These financial statements on pages 11 to 34 were approved by the Board of Directors on 9 May 2023 and were signed on its behalf by:



Gareth Evans
Director
Company number: 2993390

The notes on pages 14 to 34 form part of these financial statements

Statement of Changes in Equity

for the year ended 31 December 2022

	Called up share capital	Foreign currency translation reserve	Capital redemption reserves	Retained earnings	Total equity
	£m	£m	£m	£m	£m
Balance at 1 January 2022	50.0	208.2	874.9	4,144.4	5,277.5
Profit for the year	-	-	-	258.2	258.2
Other comprehensive expense	-	56.8	-	-	56.8
Total comprehensive income for the year	-	56.8	-	258.2	315.0
Transactions with owners in their capacity as owners:					
Dividends paid	-	-	-	(1,202.9)	(1,202.9)
Balance at 31 December 2022	50.0	265.0	874.9	3,199.7	4,389.6

	Called up share capital	Foreign currency translation reserve	Capital redemption reserves	Retained earnings	Total equity
	£m	£m	£m	£m	£m
Balance at 1 January 2021	50.0	288.1	-	4,791.8	5,129.9
Profit for the year	-	-	-	227.5	227.5
Other comprehensive income	-	(79.9)	-	-	(79.9)
Total comprehensive income for the year	-	(79.9)	-	227.5	147.6
Share capital redemption	-	-	874.9	(874.9)	-
Balance at 31 December 2021	50.0	208.2	874.9	4,144.4	5,277.4

The notes on pages 14 to 34 form part of these financial statements

Notes to the Financial Statements

for the year ended 31 December 2022

1. Accounting policies

The Company, is an investment holding and intercompany funding company, incorporated in England and Wales and domiciled in the United Kingdom. The principal accounting policies are summarised below. They have been applied consistently throughout the year.

(a) Basis of preparation

These financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101") under the historical cost convention.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the UK (UK-adopted international accounting standards) ('IFRS') but makes amendments where necessary in order to comply with the Companies Act 2006 and to take advantage of FRS 101 disclosure exemptions.

The financial statements are presented in sterling, which is also the Company's functional currency. Unless otherwise noted, the amounts shown in these financial statements are in millions of pounds sterling (£m).

Set out below are disclosures where advantage of the FRS 101 disclosure exemptions has been taken:

- cash flow statement and related notes;
- comparative period reconciliations for investments;
- disclosures in respect of transactions with wholly owned subsidiaries within the consolidated group;
- disclosures in respect of capital management;
- the effects of new but not yet effective IFRSs; and
- the disclosures required by IFRS 7 and IFRS 13 regarding financial instruments other than those which are relevant for the financial instruments which are held at fair value and are not either held as part of trading portfolio or derivatives.

(b) Change in accounting policy

No new accounting policies were adopted during the year. The Company has consistently applied its accounting policies to all periods presented in these financial statements.

(c) Accounting estimates and judgements

The impairment review of investments in subsidiaries is a source of significant estimation uncertainty in preparation of the Company financial statements. Annual impairment tests include a number of sources of estimation uncertainty as the key assumptions used when modelling the recoverable amount include estimating the discount rate, terminal growth rate and the forecast cash flows. Changes to these assumptions could materially change the calculation of the recoverable amount.

In addition to assessing evidence of possible impairment, management also applies judgement as to whether there is any indication that a previously recognised impairment loss ceases to exist or the previously assessed impairment amount has decreased. A reversal of an impairment loss is recognised where there has been consistent change in the estimated recoverable amount since the last impairment loss was recognised.

Notes to the Financial Statements (continued)

for the year ended 31 December 2022

1. Accounting policies (continued)

(c) Accounting estimates and judgements (continued)

Review of expected credit losses on intercompany funding arrangements is also a source of significant estimates and judgements. Judgement is required in determining the probability of default, the loss given default and what discount rate to use when calculating the expected credit losses.

(d) Going concern

The Company is a non-trading entity, whose principal activity is that of investment holding and intercompany funding, within the Bupa Group. The Company's financial position and performance is therefore closely tied to that of the Bupa Group. The Bupa Group's performance will impact the Company's solvency, underlying performance of the investments and therefore the valuation of the investments in the Balance Sheet.

The current economic conditions continue to create uncertainty in the timing of cashflows. The Company meets its day-to-day working capital requirements through its cash reserves and borrowings from the Bupa Group and has a net current asset position of £592.9m in the Balance Sheet. The Company has no external balances or dealings with parties outside the Bupa Group.

An assessment of the Bupa Group's going concern status based on its current position and forecast results, along with scenario-based stress testing and reverse stress testing, has been carried out. The assessment considered forecast and reasonably possible adverse changes to the Bupa Group's liquidity, regulatory solvency, access to funding and trading profitability. This assessment has been considered in the context of the impact for the Company.

The Company's financial position at 31 December 2022, performance for the year then ended and to the date of signing of the financial statements, supported by results of the going concern assessment for the Bupa Group, show that the Company should be able to operate within the level of its current cash reserves and / or borrowings. After making assessments, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

(e) Exemption from consolidation

The Company is exempt by virtue of Section 400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not as a Group.

(f) Foreign currency

The financial statements are presented in sterling, which is also the currency of the primary economic environment in which the Company operates (its functional currency). Transactions in currencies other than the functional currency are recorded at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate ruling at the reporting date. Non-monetary items denominated in a foreign currency at historical cost are translated using the exchange rate at the date of the transaction therefore, no exchange differences arise.

Notes to the Financial Statements (continued) for the year ended 31 December 2022

1. Accounting policies (continued)

(f) Foreign currency (continued)

Exchange differences are recognised in the Profit and Loss Account in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings; and
- exchange differences on transactions entered into to hedge certain foreign currency risks.

(g) Financial income and expenses

Financial income comprises interest receivable, realised gains and losses on investments, foreign exchange gains and losses, dividend income on equity investments and changes in the fair value of items recognised at fair value through profit or loss.

Interest income, except in relation to assets classified as at fair value through profit or loss, is recognised in the Profit and Loss Account as it accrues, using the effective interest method.

Dividend income is included, gross of any related tax, in the Profit and Loss Account and recognised when the right to receive payment is established. Other investment income is recognised on an accruals basis.

Changes in the value of financial investments at fair value through Profit and Loss are recognised within financial income as an unrealised gain or loss while the asset is held. Upon derecognition of these assets, the cumulative unrealised gain or loss is reversed and a realised gain or loss is recognised.

Financial expense includes interest payable on borrowings, calculated using the effective interest method, and other financial expenses.

Finance charges in respect of leases and restoration provisions are charged to the Profit and Loss Account over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

(h) Financial investments

All financial investments are initially recognised at fair value, which includes transaction costs for financial investments not classified at fair value through profit or loss. Financial investments are recorded using trade date accounting at initial recognition.

Financial investments are derecognised when the rights to receive cash flows from the financial investments have expired or where the Company has transferred substantially all risks and rewards of ownership.

The Company has classified its financial investments into the following categories: at fair value through profit or loss and at amortised cost.

Classification	Criteria and treatment under IFRS 9
Fair value through profit or loss	Debt and equity instruments where performance is managed and evaluated on a fair value basis and the objective is to realise cash flows through the sale of the assets. The investments are carried at fair value, with gains and losses arising from changes in this value recognised in the Profit and Loss Account in the period in which they arise.

Notes to the Financial Statements (continued)

for the year ended 31 December 2022

(h) Financial investments (continued)

Classification	Criteria and treatment under IFRS 9
Amortised cost	Non-derivative debt instruments where the contractual characteristics of the financial assets represent solely payments of principal and interest and the objective is to hold the instrument to collect cash flows over its life. Any disposals are expected to be infrequent or insignificant. The investments are measured at amortised cost using the effective interest method, less any impairment losses. Any discount or premium on purchase is amortised over the life of the investment in the Profit and Loss Account.

Under IFRS 9, impairment provisions for expected credit losses (ECL) are recognised for financial investments measured at amortised cost. An allowance for either a 12-month or lifetime ECL is required, depending on whether there has been a significant increase in credit risk since initial recognition. However, an assumption can be made that the credit risk on a loan has not increased significantly since initial recognition if the loan is determined to have low credit risk at the reporting date. The Company applies a 12-month ECL allowance to all intercompany loans, based on a probability weighted outcome, as no significant increases in credit risk since initial recognition have been identified.

The Company has categorised its financial assets as follows:

Investments in associates

Associated undertakings include those entities in which the Company has significant influence, but no right to direct the activities which determine the variable returns it receives from the entity. Investments in associated undertakings are held at cost less accumulated impairment losses.

Investments in subsidiary undertakings

Investments in subsidiary undertakings are stated at cost less impairment. Investments are reviewed annually to test whether any indicators of impairment exist. Where there is objective evidence of such an asset being impaired, the investment is impaired to its recoverable value and any unrealised loss is recorded in the Profit and Loss Account.

When any indication that an impairment loss recognised in prior periods may no longer exist or may have decreased, the recoverable amount of an investment is assessed. Should the recoverable value exceed the carrying value, an impairment reversal is recognised in the Profit and Loss Account up to the value of previously recorded impairments.

Loans to Bupa Group undertakings

Intercompany loans are initially recognised at fair value and are subsequently recognised at amortised costs using the effective interest rate method less any provision for expected credit losses (ECL).

(i) Cash and cash equivalents

Cash comprises of cash in hand and deposits repayable on demand, less overdrafts payable on demand.

(j) Intercompany borrowings

On issue, borrowings are initially recognised at the fair value of the consideration received after deduction of issue costs. The borrowings are subsequently carried at amortised cost and, for interest bearing debt, interest expense is allocated over the term of the debt at a constant rate on the carrying amount.

Notes to the Financial Statements (continued)

for the year ended 31 December 2022

(j) Intercompany borrowings (continued)

Preference shares are recognised and subsequently measured at their fair value. The preference shares are redeemable and are thus recognised as a liability.

(k) Derivative financial instruments

A derivative is a financial instrument whose value is based on one or more underlying variables. The Company uses derivative financial instruments to hedge its exposure to foreign exchange and interest rate risk. Derivatives are not held for speculative reasons.

Derivative financial instruments are accounted for at fair value through profit or loss. They are recognised initially at fair value; attributable transaction costs are recognised in the Profit and Loss Account when incurred. After initial recognition, derivatives are measured at fair value, and changes therein are recognised immediately in the Profit and Loss Account.

(l) Property, plant and equipment

Property, plant and equipment are held at historical cost less accumulated depreciation and recognised impairment losses. Depreciation is charged to the Profit and Loss Account on a straight-line basis to allocate cost less residual value over the estimated useful life, as follows:

- Right-of-use property – over the lease term
- Equipment - 10 years

Useful lives, depreciation method and residual values are reviewed at each reporting date.

Impairment reviews are undertaken where there are indicators that the carrying value may not be recoverable. An impairment loss is recognised in the Profit and Loss Account to reduce the carrying value to the recoverable amount.

(m) Taxation and deferred taxation

The taxation expense on the profit for the year comprises current and deferred taxation. Income taxation is recognised in the Profit and Loss Account except to the extent that it relates to items recognised directly in other comprehensive income, in which case it is recognised directly in other comprehensive income.

Current taxation is the expected taxation payable on the taxable profit for the year, using taxation rates enacted or substantively enacted at the balance sheet date, and any adjustments to taxation payable in respect of previous years.

Deferred taxation is recognised in full using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

The amount of deferred taxation recognised is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using taxation rates enacted or substantively enacted at the balance sheet date.

Deferred taxation is recognised on temporary differences arising on investments in subsidiary companies, except where the timing of the reversal of the temporary difference is controlled by the Bupa Group and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred taxation asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Trading losses surrendered to other Bupa Group subsidiary undertakings are made on a full payment basis.

Notes to the Financial Statements (continued)

for the year ended 31 December 2022

1. Accounting policies (continued)

(n) Intangible assets

Intangible assets are stated at cost less accumulated amortisation and impairment. Amortisation is charged to the Profit and Loss Account on a straight-line basis over the estimated useful lives of intangible assets. Intangibles are reviewed for indicators of impairment annually.

Costs relating to the internal development of intangible assets, including computer software, are capitalised once all development phase recognition criteria are met.

Amortisation is charged to the Profit and Loss Account on a straight-line basis as follows, excluding any intangible assets to which an indefinite useful life has been attributed:

- Externally purchased computer software - 4 years
- Internally developed assets- 4-6 years

Intangible assets that are subject to amortisation are reviewed for impairment if circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised in the Profit and Loss Account to reduce the carrying amount to the recoverable amount.

(o) Leases of property

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate taking into account the duration of the lease.

The lease liability is subsequently measured at amortised cost using the effective interest method, with the finance cost charged to profit or loss over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability. It is remeasured when there is a change in future lease payments arising from a change in index or rate, or if the Company changes its assessment of whether it will exercise an extension or termination option. The lease liability is recalculated using a revised discount rate if the lease term changes as a result of a modification or re-assessment of an extension or termination option. The leases currently held by the Company do not contain any terminations and have extension options.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to restore properties to their original condition, less any lease incentives received. The right-of-use asset, excluding restoration costs, is depreciated on a straight-line basis over the lease terms. In addition, the right-of-use asset may be adjusted for certain remeasurements of the lease liability, such as indexation and market rent review uplifts.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a term of 12 months or less or leases that are of low value (£4,000). Lease payments associated with these leases are expensed on a straight-line basis over the lease term.

Notes to the Financial Statements (continued)

for the year ended 31 December 2022

2. Financial income

	2022	2021
	£m	£m
Dividend income from Group undertakings	251.9	185.1
Interest receivable from loans to Group undertakings	84.4	74.3
Other interest receivable	1.0	0.4
Net realised gain / (loss)	1.1	(1.0)
Net foreign exchange (loss) / gain	(14.2)	7.3
	324.2	266.1

3. Other income

	2022	2021
	£m	£m
Group recharges	4.0	2.4
Gain on disposal of fixed assets	0.1	-
	4.1	2.4

Group recharges relates mainly to staff salaries and reward costs in the Spanish Branch. The increase of £1.7m this year was mainly due to redundancy payments.

4. Financial expense

	2022	2021
	£m	£m
Interest payable on loans to Bupa Group undertakings	0.6	1.2
Other interest payable	0.3	0.1
	0.9	1.3

5. Net impairment on financial assets

	2022	2021
	£m	£m
Bupa Global Holdings Limited	(8.1)	-
Bupa Middle East Holdings Two W.L.L.	(5.1)	-
Bupa Panama S.A.	(1.6)	-
Bupa Singapore Holdings Pte Ltd	-	3.7
Consolidated - Lux Med Sp	(319.4)	-
Grupo Bupa Sanitas Chile Uno, SpA	364.8	-
Health Dialog UK Limited (dissolved 10 May 2022)	-	0.6
	30.6	4.3

During the year, an impairment loss of £364.8m was recognised in the Company's investment in Grupo Bupa Santos Chile Uno, SpA. This loss is due to reduction in the recoverable amount on a value-in-use basis driven by increased WACC rates and reductions in the business' future cash flow forecasts.

During the year, a total of £334.2 reversals were made of previously recognised impairment loss. The reversals are made where there is evidence of a consistent change in the estimated recoverable amount of an asset, since the last impairment loss was recognised.

6. Administrative expenses

	2022	2021
	£m	£m
Wages and salaries	9.6	7.7
Social security costs	0.9	0.8
Pension and other staff costs	1.2	0.9
Other administrative costs	11.3	10.5
	23.0	19.9

Notes to the Financial Statements (continued)

for the year ended 31 December 2022

6. Administrative expenses (continued)

The average number of employees, including Executive Directors, employed by the Company's Spanish Branch during the year was 68 (2021: 64).

7. Auditors' remuneration

	2022 £m	2021 £m
Audit fees for the audit of the Company's annual financial statements	0.1	0.2

Fees for the audit of the Company represent the amount receivable by the Company's independent auditors and are included under other administrative costs in Note 6.

Fees paid to the Company's independent auditors, PricewaterhouseCoopers LLP, and its associates for services other than the statutory audit of the Company are not disclosed in these financial statements since the consolidated financial statements of Bupa, the ultimate parent undertaking, disclose non-audit fees on a consolidated basis.

8. Directors' remuneration

	2022 £	2021 £
Emoluments	139,592	135,959
Company contributions to defined contribution pension scheme	579	600
Amounts receivable under long-term incentive schemes	-	41,453
	140,171	178,012

During the year there were four Directors (2021: three) who were members of a defined contribution scheme. There were no (2021: none) Directors who were members of a defined benefit pension scheme.

9. Taxation expense

(i) Recognised in the Profit and Loss Account

	2022 £m	2021 £m
Current taxation expense		
UK taxation on profits for the period	14.2	13.7
Adjustment in respect of prior periods	-	(0.4)
Double taxation relief	(6.9)	(4.9)
Foreign tax on income for the year	8.7	5.8
Foreign tax adjustments in respect of prior years	(0.3)	1.4
Total current taxation	15.7	15.6
Deferred taxation credit		
Origination and reversal of timing differences	(0.1)	-
Adjustments in respect of prior periods	-	(0.1)
Total deferred taxation	(0.1)	(0.1)
Total tax charge for year	15.6	15.5

Notes to the Financial Statements (continued)

for the year ended 31 December 2022

9. Taxation expense (continued)

(ii) Reconciliation of effective taxation rate

	2022 £m	2021 £m
Profit before taxation expense	273.8	243.0
Taxation expense at the domestic UK corporation tax rate of 19% (2021: 19%)	52.0	46.1
Effects of:		
Different taxation rates in foreign jurisdictions	6.4	6.3
Non-deductible expenses	6.9	1.6
Non-assessable income	(52.0)	(41.2)
Current income taxation adjustments in respect of prior periods	(0.3)	1.0
Irrecoverable withholding tax	2.6	1.7
Total tax charge for year	15.6	15.5

(iii) Deferred tax asset

(a) Deferred tax assets are attributable to the following:

	2022 £m	2021 £m
Other employee benefits (other than post employment)	1.1	0.9
Taxation value of losses carried forward	0.2	0.2
Net deferred tax assets	1.3	1.1

As at 31 December 2022, the Company had deductible temporary differences relating to capital losses of £21.8m (2021: £21.8m) for which no deferred taxation asset was recognised due to uncertainty of utilisation of those temporary differences.

(b) Movement in deferred tax during the year

	1 January 2022 £m	Recognised in income £m	Foreign exchange £m	31 December 2022 £m
Other employee benefits (other than post employment)	0.9	0.1	0.1	1.1
Taxation value of losses carried forward	0.2	-	-	0.2
Net deferred tax assets	1.1	0.1	0.1	1.3

(c) Movement in deferred tax during the prior year

	1 January 2021 £m	Recognised in income £m	Foreign exchange £m	31 December 2021 £m
Other employee benefits (other than post employment)	1.0	(0.1)	-	0.9
Taxation value of losses carried forward	0.1	0.1	-	0.2
Net deferred tax assets	1.1	-	-	1.1

Notes to the Financial Statements (continued)

for the year ended 31 December 2022

10. Intangible assets

	Computer software £m	Total £m
Cost at 1 January 2022	17.0	17.0
Additions	2.8	2.8
Transfers	(4.6)	(4.6)
Foreign exchange gain/(loss)	0.8	0.8
Cost at 31 December 2022	16.0	16.0
Accumulated amortisation at 1 January 2022	(4.2)	(4.2)
Amortisation for year	(2.3)	(2.3)
Transfers	1.2	1.2
Foreign exchange loss	(0.3)	(0.3)
Accumulated amortisation at 31 December 2022	(5.6)	(5.6)
Net book value:		
At 31 December 2021	12.8	12.8
At 31 December 2022	10.4	10.4

Intangible assets net book value consists of externally purchased computer software (£1.6m) (2021:£5.4m) and capitalised internal development costs (£8.8m) (2021:£7.4m).

11. Property, plant and equipment

	Leasehold property £m	Equipment £m	Total £m
Cost at 1 January 2022	0.6	5.0	5.6
Additions	0.4	0.8	1.2
Foreign exchange gain	-	0.3	0.3
Cost at 31 December 2022	1.0	6.1	7.1
Accumulated depreciation at 1 January 2022	(0.4)	(2.0)	(2.4)
Depreciation charge for year	(0.2)	(0.9)	(1.1)
Foreign exchange loss	-	(0.1)	(0.1)
Accumulated depreciation at 31 December 2022	(0.6)	(3.0)	(3.6)
Net book value:			
At 31 December 2021	0.2	3.0	3.2
At 31 December 2022	0.4	3.1	3.5

Notes to the Financial Statements (continued)

for the year ended 31 December 2022

12. Investments

	Associated undertakings £m	Subsidiary undertakings £m	Loans to Bupa Group undertakings £m	Total £m
Cost at 1 January 2022	567.5	3,942.1	2,515.7	7,025.3
Additions	10.5	148.3	142.6	301.4
Disposals/repayments	-	(17.7)	(861.9)	(879.6)
Foreign exchange	-	53.2	101.0	154.2
Cost at 31 December 2022	578.0	4,125.9	1,897.4	6,601.3
Provisions at 1 January 2022	-	(702.0)	-	(702.0)
Provisions for impairments	-	(30.6)	-	(30.6)
Disposals/reversals	-	0.6	-	0.6
Provisions at 31 December 2022	-	(732.0)	-	(732.0)
Net book value				
At 1 January 2022	567.5	3,240.1	2,515.7	6,323.4
At 31 December 2022	578.0	3,393.9	1,897.4	5,869.3

The Company made £148.3m additional investments in subsidiaries, mainly in Grupo Bupa Sanitas Chile Uno, SpA (£120.7m), Bupa Singapore Holdings Pte Ltd (£14.3m) and Bupa Servicios de Evaluacion Medica, S. de R.L. de C.V. (£13.3m). These additional investments were required to fund capital expenditure requirements, support the FY23 projected business growth and achieve required solvency ratios.

The subsidiary undertakings disposal of (£17.7m) with the Spanish Branch, relates to a decrease in Grupo Bupa Sanitas S.L. due to a share premium distribution.

Loans to Bupa Group undertakings decreased by £618.3m due to the full settlement of a loan due from Bupa Finance plc (£696.5m) and part settlement of a loan due from Bupa Chile S.A. (£26.4m); offset by FX gains of (£101.0m) and interest accrued on the loans (£3.6m).

13. Debtors

	2022 £m	2021 £m
Amounts owed by Bupa Group undertakings	707.8	1,031.0
Other debtors including taxation	-	3.1
	707.8	1,034.1

The balances above are all due within one year and consist mainly of liquidity lines extended to other Bupa group entities and inter-group current accounts. These are internal funding arrangements, which are interest-free and have no stated maturity. The current accounts are settled monthly via an intercompany netting process. The £323.2m decrease from last year is mainly due to the £404.5m settlement of the liquidity line extended to Bupa Finance plc, offset by net increases in various current account balances due with Bupa Group entities.

Notes to the Financial Statements (continued)

for the year ended 31 December 2022

14. Creditors – amounts falling due within one year

	2022	2021
	£m	£m
Amounts owed to Bupa Group undertakings	94.9	115.5
Corporation tax and VAT	15.3	-
Employee taxation and social security accruals	6.3	6.0
Other creditors	5.2	5.4
	121.7	126.9

Inter-group creditors falling due within one year consist mainly of short term inter-group current accounts. The accounts are short term and, for UK based entities, settled on a monthly basis through the inter-group netting process. Balances held with non UK Bupa Group entities are settled regularly and at least once per year, as per policy. The balance also includes a Term Loan with a remaining life of less than one year.

15. Lease liabilities

	2022	2021
	£m	£m
At 1 January 2022	0.4	0.4
Repayments	-	-
Additions	0.2	-
At 31 December 2022	0.6	0.4
Current	0.3	0.2
Non-current	0.3	0.2

16. Creditors – amounts falling due after more than one year

	2022	2021
	£m	£m
Shares classified as liabilities	2,087.5	1,977.8
	2,087.5	1,977.8

These balances represent preference shares (note 17).

17. Called up share capital

Authorised, allotted, called up and fully paid	2022	2021
	£m	£m
50,000,000 ordinary shares of £1 each	50.0	50.0
174,000,000,000 redeemable preference shares of CLP1 each	169.9	150.9
3,400,000,000 redeemable preference shares of AUD1 each	1,917.6	1,826.9
	2,137.5	2,027.8
Shares classified as liabilities (note 16)	2,087.5	1,977.8
Shares classified in shareholders' funds	50.0	50.0
	2,137.5	2,027.8

All ordinary shares rank pari passu in relation to their rights to income and return of capital on winding up.

Notes to the Financial Statements (continued)

for the year ended 31 December 2022

17. Called up share capital (continued)

The redeemable preference shares rank pari passu with all ordinary shares in relation to their rights to income. On winding up of the Company, the redeemable preference shareholder has the right to receive, in preference to payment to ordinary shareholders, the repayment of the aggregate of a sum equal to the nominal capital paid up on the preference shares of that class held by them. The redeemable preference shareholder has the right to require the Company to redeem all or some of these shares which are outstanding at any time for an amount equal to the nominal amount of the redeemable preference shares and any declared but unpaid dividend.

18. Reserves

	Foreign currency translation reserve	Capital redemption reserve	Retained earnings	Total
	2022 £m	2022 £m	2022 £m	2022 £m
At beginning of year	208.2	874.9	4,144.4	5,227.5
Movement for the year	56.8	-	258.2	315.0
Dividends paid	-	-	(1,202.9)	(1,202.9)
At end of year	265.0	874.9	3,199.7	4,339.6

The foreign currency translation reserve represents currency translation difference on foreign currency investments. The £56.8m movement in the foreign currency translation reserve is made up of £56.3m relating to net exchange gain on retranslation of a loan and allocations of profit between the Company and its Spanish Branch and £0.5m gain on retranslation of an allocation of profits from the Spanish Branch to the Company during the year.

19. Contingent liabilities, guarantees and other financial commitments

Under a Bupa Group registration, the Company is jointly and severally liable for value added tax due by certain other Bupa Group companies

The Company had no other contingent liabilities, guarantees or financial commitments at the end of the financial year.

20. Subsequent events

There were no subsequent adjusting or non-adjusting post balance sheet events.

21. Immediate and ultimate parent company

The immediate parent undertaking of the Company and the smallest group into which these financial statements are consolidated is that headed by Bupa Finance plc, with its registered office at 1 Angel Court, London, EC2R 7HJ.

The ultimate parent undertaking of the Company, and the largest group into which these financial statements are consolidated, is The British United Provident Association Limited, with its registered office at 1 Angel Court, London, EC2R 7HJ.

Copies of the financial statements of both companies can be obtained from The Registrar of Companies, Cardiff, CF14 3UZ.

Notes to the Financial Statements (continued)

for the year ended 31 December 2022

22. Related Undertakings

In compliance with Section 409 of the Companies Act 2006, disclosed below is a list of the Company's related undertakings as at 31 December 2022, comprising subsidiaries, joint ventures, associated undertakings and other significant holdings, together with the country of incorporation, registered office address, each share class held directly or indirectly by the Company and the proportion of the nominal value of the shares of that class represented by those shares.

(i) Subsidiaries

Unless otherwise stated, the subsidiaries listed below are wholly owned by the Company with 100% of the nominal value of each share class held indirectly by the Company. Where a subsidiary is not wholly owned, the proportion of the nominal value of each share class held by the Company or its subsidiaries, together with the Company's effective ownership, calculated by reference to the voting rights, is shown below.

Name	Share Class	Proportion of class held (%)	Effective % ownership
Australia			
Level 16, 33 Exhibition Street, Melbourne VIC 3000, Australia			
Australia Fair Dental Care Pty Ltd	AUD Ordinary		
Benefit Pocket Pty Ltd	AUD Ordinary		
Bupa Aged Care Australasia Pty Limited	AUD Ordinary		
Bupa Aged Care Australia Holdings Pty Ltd	AUD Ordinary		
Bupa Aged Care Australia Pty Ltd	AUD Ordinary		
Bupa Aged Care Holdings Pty Ltd	AUD Ordinary		
Bupa Aged Care Property No.2 Trust	Trust Interest		
Bupa Aged Care Property No.3 Trust	Trust Interest		
Bupa Aged Care Property No.3A Trust	Trust Interest		
Bupa Aged Care Property Trust	Trust Interest		
Bupa ANZ Finance Pty Ltd ¹	AUD Ordinary		
Bupa ANZ Group Pty Ltd ¹	AUD Ordinary		
Bupa ANZ Healthcare Holdings Pty Ltd ²	AUD Ordinary		
Bupa ANZ Insurance Pty Ltd ³	AUD A Class Preference, AUD Ordinary		
Bupa ANZ Property 1 and 2 Limited	AUD Ordinary		
Bupa ANZ Property 3 and 3A Pty Ltd	AUD Ordinary		
Bupa Care Villages Australia Pty Ltd	AUD Ordinary		
Bupa Dental Corporation Pty Ltd	AUD Ordinary		
Bupa Foundation (Australia) Limited	Guarantee Membership Interest		
Bupa Health Services Pty Ltd	AUD Ordinary		
Bupa HI Holdings Pty Ltd	AUD Ordinary		
Bupa HI Pty Ltd	AUD Ordinary		
Bupa Innovations (ANZ) Pty Ltd	AUD Ordinary		
Bupa Medical (GP) Pty Ltd	AUD Ordinary		
Bupa Medical Services Pty Limited	AUD Ordinary		
Bupa Optical Pty Ltd	AUD Ordinary		
Bupa Telehealth Pty Ltd	AUD Ordinary		
Bupa Wellness Pty Limited	AUD Ordinary		
DC Holdings WA Pty Ltd	AUD Ordinary		
Dental Care Network Pty Ltd	AUD Ordinary		
Dental Corporation Australia Fair Pty Ltd	AUD Ordinary		
Dental Corporation Cox Pty Ltd	AUD Ordinary		
Dental Corporation Gerber Pty Ltd	AUD Ordinary		
Dental Corporation Holdings Pty Ltd	AUD Ordinary		

¹ Held directly by the Company

² 68.13% held directly by the Company

³ 100% of the Ordinary shares held directly by the Company

Notes to the Financial Statements (continued)

for the year ended 31 December 2022

22. Related undertakings (continued)

(i) Subsidiaries (continued)

Name	Share Class	Proportion of class held (%)	Effective % ownership
Australia (continued)			
Level 16, 33 Exhibition Street, Melbourne VIC 3000, Australia			
Dental Corporation Levas Pty.Ltd.	AUD Ordinary		
Dental Corporation Petrie Pty.Ltd.	AUD Ordinary		
Dental Corporation Pty Ltd	AUD Ordinary		
Dr Chris Hardwicke Pty.Ltd.	AUD Ordinary		
Gerber Dental Group Pty Ltd	AUD Ordinary		
Larry Benge Pty Limited	AUD Ordinary		
Scott Petrie (Dental) Pty Ltd	AUD Class E, AUD Class F, AUD Ordinary		
Bahrain			
Office 207, Building 114, Road 385, Block 304, Manama, Bahrain			
Bupa Middle East Holdings Two W.L.L. ⁴	BHD50.00 Ordinary	75.00	75.00
Bermuda			
Crawford House, 4th Floor, 50 Cedar Avenue, Hamilton, HM11, Bermuda			
Amedex Insurance Company (Bermuda) Limited	BMD1.00 Ordinary	30.00	30.00
Bolivia			
Guapomo Street 2005, Spazio Building, 1st Floor, Offices 201-202-2013, Santa Cruz de la Sierra, Bolivia			
Bupa Insurance (Bolivia) S.A. ⁵	BOB100.00 Ordinary	99.99	99.99
Brazil			
Alameda Mamoré, No. 678, 11th Floor, Room 1104, Alphaville, 06454-040, Barueri, São Paulo, Brazil			
Care Plus Negócios Em Saúde Ltda.	BRL1.00 Quotas		
Alameda Mamoré, No. 687, 12th Floor, Rooms 1201, 1202, 1203 and 1204, Alphaville, 06454-040, Barueri, São Paulo, Brazil			
Care Plus Medicina Assistencial Ltda. ⁶	BRL1.00 Quotas		
Av. das Nações Unidas, 12,901, Unidade 901, Torre Oeste, Bloco C, Centro Empresarial Nações Unidas, Brooklin Paulista, São Paulo, SP, Brazil			
Personal System Serviços Médicos e Odontológicos Ltda. ⁶	BRL1.00 Quotas		
Chile			
Anabaena N° 336, Comuna Viña del Mar, Region Valparaiso, Chile			
Clinica Renaca S.A.	CLP Ordinary	100.00	95.89
Desarrollo E Inversiones Medicas S.A.	CLP Ordinary	97.56	93.45
Promotora De Salud S.A.	CLP Ordinary	67.03	67.03
Sociedad Medica Imagenologia Clinica Renaca Limitada	CLP Social Rights	80.00	76.70
Av. Matta No 1868, Comuna Antofagasta, Region Antofagasta, Chile			
Sociedad Medico Quirurgica De Antofagasta S.A.	CLP Ordinary	100.00	72.98
Cerro Colorado N° 5240, Piso 11, Comuna Las Condes, Region Metropolitana, Chile			
Bupa Administracion y Servicios SpA	CLP Ordinary		
Bupa Chile S.A.	CLP Ordinary		
Bupa Compania de Seguros de Vida S.A.	CLP Ordinary		
Bupa Inversiones Latam S.A.	CLP Ordinary		

⁴ Held directly by the Company

⁵ <0.001% held directly by the Company

⁶ 1% held directly by the Company

Notes to the Financial Statements (continued)

for the year ended 31 December 2022

22. Related undertakings (continued)

(i) Subsidiaries (continued)

Name	Share Class	Proportion of class held (%)	Effective % ownership
Chile (continued)			
Cerro Colorado N° 5240, Piso 11, Comuna Las Condes, Region Metropolitana, Chile			
Clinica Bupa Santiago S.A.	CLP Ordinary		
Exámenes De Laboratorio S.A.	CLP Ordinary	100.00	99.99
Grupo Bupa Sanitas Chile Uno, SpA ⁷	CLP1,000.00 Ordinary		
Inversiones Clinicas CBS S.A.	CLP Ordinary		
Isapre Cruz Blanca S.A.	CLP Ordinary	99.79	99.41
Cerro Colorado N° 5240, Piso 6, Comuna Las Condes, Region Metropolitana, Chile			
Bupa Servicios de Salud SpA	CLP Ordinary	100.00	99.99
Integramedica S.A.	CLP Ordinary	99.99	99.99
Recaumed S.A.	CLP Ordinary	58.40	58.40
Sonorad II S.A.	CLP Ordinary	100.00	99.89
Dr. Juan Noe N° 1370, Comuna Arica, Region Arica y Parinacota, Chile			
Corporacion Medica de Arica S.A.	CLP Ordinary	68.97	68.97
Sociedad De Inversiones Pacasbra S.A.	CLP Ordinary	100.00	69.19
Manuel Antonio Matta N° 1868, Comuna Antofagasta, Region Antofagasta, Chile			
Inmobiliaria Centro Medico Antofagasta S.A.	CLP Ordinary	99.99	88.94
Manuel Antonio Matta N° 1945, Comuna Antofagasta, Region Antofagasta, Chile			
Centro Medico Antofagasta S.A.	CLP Ordinary	100.00	88.95
Inversiones Clinicas Pukara S.A.	CLP Ordinary	88.95	88.95
Servicios Y Abastecimiento A Clinicas S.A.	CLP Ordinary	100.00	88.92
Pedro Aguirre Piso 5, Cerda N° 843, Comuna Arica, Region Arica y Parinacota, Chile			
Centro De Diagnostico Avanzado San Jose S.A.	CLP Ordinary	100.00	68.98
Dominican Republic			
Av. Winston Churchill, corner with Rafael Augusto Sanchez, Plaza Acropolis, Apt. P2-D, Santo Domingo, Dominican Republic			
Bupa Dominicana, S.A. ⁸	DOP1,000.00 Ordinary		
Ecuador			
Av. Republica de El Salvador N34-229, 4th Floor, Quito, Ecuador			
Bupa Ecuador S.A. Compania de Seguros ⁹	USD1.00 Capital Stock		
Egypt			
Building 55, Street 18, Maadi, Cairo, Egypt			
Bupa Egypt Insurance S.A.E. ⁷	EGP10.00 Ordinary	99.95	99.95
Mivida Business Park, Building 3/B1, 5th Settlement, New Cairo, 11835, Egypt			
Bupa Egypt Services LLC ⁷	EGP100.00 Ordinary	99.00	99.00
Guatemala			
Quinta avenida número cinco guión cincuenta y cinco, Zona catorce de esta ciudad, Edificio Europlaza World Business Center, Torre III, undécimo nivel, área corporativa número un mil, Guatemala			
Bupa Guatemala, Compania de Seguros, S.A. ⁷	GTQ1.00 Ordinary	99.00	99.00

⁷ Held directly by the Company

⁸ 1% held directly by the Company

⁹ 0.000015% held by nominee

Notes to the Financial Statements (continued)

for the year ended 31 December 2022

22. Related undertakings (continued)

(i) Subsidiaries (continued)

Name	Share Class	Proportion of class held (%)	Effective % ownership
Guernsey			
PO Box 155, Mill Court, La Charroterie, St Peter Port, GY1 4ET, Guernsey			
Bupa Holdings (Guernsey) Limited ¹⁰	£1.00 Ordinary		
UK Care No. 1 Limited ¹⁰	£1.00 Ordinary		
Ireland			
Second Floor, 10 Pembroke Place, Ballsbridge, Dublin, 4, Ireland			
Bupa Global Designated Activity Company	€1.00 Ordinary		
Mexico			
Av. Xola 535, Piso 17, Col. Del Valle, Mexico City, CP 03100, Mexico			
Corporativo Vitamedica, S.A. De C.V.	MXN10.00 Ordinary	100.00	99.97
Servicios Vitamedica, S.A. De C.V.	MXN10.00 Ordinary	100.00	99.97
Vitamedica Administradora, S.A. De C.V. ¹¹	MXN Class I, Series A (Fixed), MXN Class I, Series B (Fixed)	100.00	99.97
Montes Urales, No. 745, Piso 1, Colonia Lomas de Chapultepec I Seccion, C.P. 11000, Mexico City			
Bupa Mexico, Compania de Seguros, S.A. de C.V.	MXN1,000.00 Series A (fixed), MXN1,000.00 Series B (variable)		
Montes Urales, No. 745, Piso 2, Colonia Lomas de Chapultepec I Seccion, Miguel Hidalgo Distrito Federal 11000, Mexico City			
Bupa Servicios de Evaluacion Medica, S. de R.L. de C.V. ¹⁰	MXN Ordinary ¹² MXN Ordinary (Variable)	99.93 100.00	99.97
Prolongacion Paseo de la Reforma No. 9, Paseo de las Lomas, Alvaro Obregon, C.P. 01330, Mexico City, Mexico			
Promotora de Hospitales y Servicios Integrales, S.A.P.I. de C.V.	MXN Fixed Capital Class I, MXN Variable Capital Class II	100.00	99.97
New Zealand			
Bupa House, Level 2, 109 Carlton Gore Road, Newmarket, Auckland, 1023, New Zealand			
Bupa Care Services NZ Limited	NZD Ordinary		
Bupa Retirement Villages Limited	NZD Ordinary		
Panama			
Prime Time Tower, Floor 25, Office 25 b La Rotonda Ave, Costa del Este, Panama			
Bupa Panama S.A. ¹⁰	US\$1,000.00 Ordinary		
Bupa Servicios Panama, S.A.	US\$1.00 Common		
Peru			
Av. Guardia Civil N° 664, Comuna San Isidro, Region Lima, Peru			
Anglolib S.A	PEN Ordinary-A	100.00	85.00
Integramedica Peru S.A.C.	PEN Ordinary		
MediPeru S.A.C	PEN Ordinary	99.97	99.97
Poland			
Brzeska 12 Street, 03-737, Warsaw, Poland			
Centrum Edukacji Medycznej Sp. z o.o.	PLN100.00 Ordinary		

¹⁰ Held directly by the Company

¹¹ 0.02% held directly by the Company

¹² 0.03% held by the Company's parent

Notes to the Financial Statements (continued)

for the year ended 31 December 2022

22. Related undertakings (continued)

(i) Subsidiaries (continued)

Name	Share Class	Proportion of class held (%)	Effective % ownership
Poland (continued)			
Curie-Skłodowskiej 73 Street, 87-100, Torun, Poland			
Lecznice Citomed Sp. z o.o.	PLN50.00 Ordinary		
Czapliniecka 93/95, 97-400, Belchatow, Poland			
Megamed Sp. z o.o.	PLN1,000.00 Ordinary		
Goszczyńskiego 1 Street, 02-616, Warsaw, Poland			
Hifu Clinic Sp. z o.o.	PLN50.00 Ordinary	70.16	70.16
Szpital sw. Elzbiety Sp. z o.o.	PLN50.00 Ordinary		
Kuznicka 1 Street, 72-010, Police, Poland			
Medika Usługi Medyczne Sp. z o.o.	PLN50.00 Ordinary		
Obornicka 262 Street, 60-693, Poznan, Poland			
Fundacja MedPolonia	Founder Contribution		
Med-Polonia Sp. z o.o.	PLN50.00 Ordinary		
Partyzantów 76, 80-254, Gdansk, Poland			
Projekt Uśmiech Bis Sp. z o.o.	PLN500.00 Ordinary		
Podleśna 61, 01-673, Warsaw, Poland			
Centrum Medyczne Mavit Sp. z o.o.	PLN100.00 Ordinary		
Porebskiego 9 Street, 81-185, Gdynia, Poland			
Niepubliczny Zakład Opieki Zdrowotnej Przychodnia Lekarska "POGORZE" Sp. z o.o.	PLN200.00 Ordinary	95.80	95.80
Pory 78 Street, 02-757, Warsaw, Poland			
Pory 78 Sp. z o.o.	PLN100.00 Ordinary		
Sport Medica S.A.	PLN1.00 Ordinary-A, PLN1.00 Ordinary-B, PLN1.00 Ordinary-C, PLN1.00 Ordinary-D, PLN1.00 Ordinary-E, PLN1.00 Ordinary-F, PLN1.00 Ordinary-G, PLN1.00 Ordinary-I, PLN1.00 Ordinary-J, PLN1.00 Ordinary-K		
Puławska 48, 05-500 Piaseczno, Poland			
Silver Dental Clinic Sp. z o.o.	PLN50.00 Ordinary		
Równinna 6 Street, 87-100, Torun, Poland			
Citomed Nieruchomości Sp. z o.o.	PLN100.00 Ordinary		
Szamocka 6 Street, 01-748, Warsaw, Poland			
LUX MED Onkologia Sp. z o.o.	PLN50.00 Ordinary		
ul. Aleje Jerozolimskie 99/44 Street, 02-001, Warsaw, Poland			
ApteGo Sp. z o.o.	PLN50.00 Ordinary	51.00	51.00
ul. Długa 43, 05-510 Konstancin Jeziorna, Poland			
LUX MED Tabita Sp. z o.o.	PLN100.00 Ordinary	88.00	88.00

Notes to the Financial Statements (continued)

for the year ended 31 December 2022

22. Related undertakings (continued)

(i) Subsidiaries (continued)

Name	Share Class	Proportion of class held (%)	Effective % ownership
Poland (continued)			
ul. Elblaska 135, 80-718, Gdansk, Poland			
Centrum Opieki Medycznej Comed Sp. z o.o.	PLN500.00 Ordinary		
ul. Kamienna 21, 31-403, Krakow, Poland			
Medtour Sp. z o.o.	PLN50.00 Ordinary		
ul. Postepu 21 C Street, 02-676, Warsaw, Poland			
Elblaska Sp. z o.o.	PLN50.00 Ordinary		
LUX MED Foundation Dr. Joanny Perkowicz	Founder Contribution		
LUX-MED Investment S.A.	PLN50.00 Series A, PLN50.00 Series B, PLN50.00 Series C, PLN50.00 Series D		
LUX MED Sp. z o.o. ¹³	PLN500.00 Ordinary		
ul. Rakoczego 19/U5, 80-286, Gdansk, Poland			
Mediss Dental Clinic Sp. z o.o.	PLN250.00 Ordinary		
ul. Stefana Batorego 17/19, 87-100 Torun, Poland			
Tomograf Sp. z o.o.	PLN500.00 Ordinary		
Wileńska, 44 Street, 80-215, Gdańsk			
Fundacja Promedycine	Founder Contribution		
Swissmed Centrum Zdrowia S.A.	PLN10.00 Ordinary	91.98	91.98
Swissmed Nieruchomosci Sp. z o.o.	PLN500.00 Ordinary	100.00	91.98
Swissmed Opieka Sp. z o.o.	PLN1,000.00 Ordinary	99.24	91.28
Wladyslawa Broniewskiego 3, 01-785, Warsaw, Poland			
Klinika Optimum Sp. z o.o.	PLN50.00 Ordinary	100.00	99.99
Zygmunta Slominskiego, 5/U05 Street, Warsaw, Poland			
Smile Design Clinic Sp. z o.o.	PLN100.00 Ordinary		
Singapore			
600, North Bridge Road, #05-01 Parkview Square, 188778, Singapore			
Bupa Singapore Holdings Pte Ltd ¹³	SGD Ordinary		
Spain			
Avda Marcelo Celayeta, 144 - Pamplona (31014), Spain			
Sanitas Mayores Navarra S.L.	€60.10 Ordinary		
Avenida Generalitat Valenciana no 50, Valencia, Spain			
Especializada y Primaria L'Horta-Manises, S.A.U.	€1.00 Ordinary		
c/ Eguskiaguirre no.8, 48902, Baracaldo, Bilbao, Spain			
Sanitas Mayores Pais Vasco S.A.	€120.00 Ordinary		
Calle Ribera Del Loira, 52, 28042, Madrid, Spain			
Elegimosalud S.L.U	€1.00 Ordinary		
Fundacion Sanitas ¹⁴	€1.00 Contribution	100.00	99.92
Fundacion Sanitas Hospitales Para el Desarrollo de la Investigacion y la Innovacion Medica	Founder Contribution		

¹³ Held directly by the Company

¹⁴ The Sanitas Foundation

Notes to the Financial Statements (continued)

for the year ended 31 December 2022

22. Related undertakings (continued)

(i) Subsidiaries (continued)

Name	Share Class	Proportion of class held (%)	Effective % ownership
Spain (continued)			
Calle Ribera Del Loira, 52, 28042, Madrid, Spain			
Grupo Bupa Sanitas S.L.U. ¹⁵	€100.00 Ordinary		
Sanitas Emision S.L.U.	€1.00 Ordinary		
Sanitas Holding, S.L.U. ¹⁵	€1.00 Ordinary		
Sanitas Mayores S.L.	€651.28 Ordinary		
Sanitas Nuevos Negocios S.L.U.	€1.00 Ordinary		
Sanitas S.A. de Seguros	€0.68 Ordinary	99.92	99.92
Sanitas S.L. de Diversificacion S.U.	€6.02 Ordinary		
Sanitas, S.A. de Hospitales S.U.	€6.01 Ordinary		
Saint Kitts and Nevis			
Amory Building, Victoria Road, Basseterre, St. Kitts, Saint Kitts and Nevis			
Amedex Services Ltd. (St Kitts) ¹⁵	US\$1.00 Capital Stock		
Sweden			
Box 27093, 102 51, Stockholm, Sweden			
LMG Forsakrings AB	€1,000.00 Ordinary		
United Arab Emirates			
Unit C1204, Level 12, Burj Daman, DIFC, PO Box 507019, Dubai, United Arab Emirates			
Bupa Global Middle East (DIFC) Limited	US\$1.00 Ordinary		
United Kingdom			
1 Angel Court, London, EC2R 7HJ, United Kingdom			
Bupa Global Holdings Limited ¹⁵	€1.00 Ordinary, €0.01 Ordinary, £1.00 Ordinary		
United States			
17901 Old Cutler Road, Suite 400, Palmetto Bay FL 33157, United States			
Bupa Insurance Company	US\$1.25 Capital Stock		
Bupa Investment Corporation, Inc.	US\$1.00 Capital Stock		
Bupa U.S. Holdings, Inc.	US\$0.01 Common Stock		
Bupa Worldwide Corporation	US\$5.00 Capital Stock		
U.S.A. Medical Services Corporation	US\$5.00 Capital Stock		

¹⁵ Held directly by the Company

Notes to the Financial Statements (continued)

for the year ended 31 December 2022

22. Related undertakings (continued)

(ii) Other related undertakings

The related undertakings listed below comprise joint ventures, associated undertakings and/or other significant holdings. Unless otherwise stated, the proportion of the nominal value of each share class held indirectly by the Company is shown below, together with the Company's effective ownership, calculated by reference to the voting rights.

Name	Share Class	Proportion of class held (%)	Effective % ownership
Australia			
Level 16, 33 Exhibition Street, Melbourne VIC 3000, Australia			
Mobile Dental Pty Ltd	AUD Ordinary	49.00	49.00
Chile			
Manuel Antonio Matta N° 1945, Comuna Antofagasta, Region Antofagasta, Chile			
Sociedad Instituto De Cardiología Del Norte Limitada	CLP Social Rights	50.00	44.47
Pedro Aguirre Piso 5, Cerda N° 843, Comuna Arica, Region Arica y Parinacota, Chile			
Centro De Imagenes Medicas Avanzadas San Jose S.A.	CLP Ordinary	70.00	48.28
India			
C-98 Lajpat Nagar, Part 1, New Delhi, 11002, India			
Niva Bupa Health Insurance Company Limited ¹⁶	INR10.00 Ordinary	44.39	44.39
Poland			
Marszalkowska 55/73/42 Street, 00-676, Warsaw, Poland			
MC2 Innovations Sp. z o.o.	PLN100.00 Ordinary	31.87	31.87
Marszalkowska 99 A lok. 5B Street, 00-693, Warsaw, Poland			
Centrum Edukacyjne Medycyny Sportowej Sp. z o.o.	PLN50.00 Ordinary	50.00	50.00
Saudi Arabia			
Al-Khalidiyah-Nour Al Ehsan 3538, Unit 1 Jeddah 7505-23423, P.O. Box 23807, Jeddah, 21436, Saudi Arabia			
Bupa Arabia For Cooperative Insurance Company ¹⁷	SAR10.00 Ordinary	43.25	43.25
United States			
745 Fort St, Ste 1100, Honolulu HI 96813, United States			
HTH Re, Ltd	US\$1.00 Ordinary	100.00	49.00
933 First Avenue, King of Prussia PA 19406, United States			
Highway to Health, Inc ¹⁷	US\$0.01 Ordinary	49.00	49.00
HTH Worldwide, LLC	US\$1.00 Ordinary	100.00	49.00
Worldwide Insurance Services, LLC	US\$1.00 Ordinary	100.00	49.00

¹⁶ Part held by nominees

¹⁷ Held directly by the Company